

## Message Text

UNCLASSIFIED

PAGE 01 STATE 197859

15

ORIGIN OPIC-12

INFO OCT-01 EA-11 ISO-00 EB-11 TRSE-00 OMB-01 COME-00 L-03

/039 R

66612

DRAFTED BY:OPIC/ID/NEA:AMKRAMISH

APPROVED BY:EB/IFD/OIA:RJSMITH

OPIC/L/GC:ALUCERO EA/IMS:PGILL OPIC/P:MTMAYS

EB/IFD/OIA:TBRODERICK OPIC:BBURTON

SPECIAL CHARGE: OPIC

----- 079472

R 092242Z SEP 74

FM SECSTATE WASHDC

TO AMEMBASSY KUALA LUMPUR

UNCLAS STATE 197859

E.O. 11652: N/A

TAGS: EINV

SUBJECT: MOTOROLA INSURANCE APPLICATION 483-72-447

REF: KUALA LUMPUR 4169

1. PLEASE INFORM BANK (NEGARA) THAT OPIC INSURANCE AND FINANCE PROGRAMS ARE AVAILABLE TO FOREIGN SUBSIDIARIES AND BUSINESSES WHICH ARE 95 PERCENT CONTROLLED BY U.S. CITIZENS AND/OR CORPORATIONS. A U.S. CORPORATION IS DEEMED ELIGIBLE IF IT IS CREATED UNDER THE LAWS OF THE U.S. AND IS MAJORITY-OWNED BY U.S. CITIZENS. ACCORDING TO THIS TEST, MOTOROLA ASIA (MA) IS AN ELIGIBLE INVESTOR SINCE MORE THAN 95 PERCENT OF ITS SHARES ARE OWNED BY MOTOROLA INTERNATIONAL DEVELOPMENT CORPORATION, A DELAWARE CORPORATION MAJORITY OWNED BY U.S. CITIZENS.

2. OPIC WISHES TO ASSIST THE GOM IN ITS EFFORTS TO ENCOURAGE AND PROMOTE NEW PRODUCTIVE FOREIGN INVESTMENT. THAT OBJECTIVE CAN BEST BE SERVED BY ALLOWING INTERESTED INVESTORS TO STRUCTURE AND FINANCE PROJECTS IN THE MOST EFFICIENT AND ECONOMICAL WAY INCLUDING CHOICE OF THE COUNTRY OF INCORPORATION. FREQUENTLY,  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 197859

INVESTMENT IS FACILITATED BY USE OF SUBSIDIARY AS WELL AS PARENT

FINANCIAL, ECONOMIC AND TECHNICAL RESOURCES. OVER THE YEARS, OPIC HAS WORKED IN MANY COUNTRIES WITH BOTH PARENT AND SUBSIDIARIES ON THE SAME PROJECT TO THE ADVANTAGE OF THE HOST COUNTRY. AT THE MOMENT, OPIC IS ASSISTING A MOTOROLA PROJECT IN ANOTHER COUNTRY AND WILL BE PROVIDING INSURANCE ON CONTRIBUTIONS BY TWO MOTOROLA OVERSEAS SUBSIDIARIES AS WELL AS THE PARENT COMPANY.

3. IN DISCUSSING THE MATTER WITH BANK NEGARA, PLEASE EMPHASIZE THE IMPORTANCE OF THE PROJECT AND THE NEED FOR MAXIMUM FLEXIBILITY IN DEALING WITH INVESTORS AND FINANCING ARRANGEMENTS. YOU MAY REAFFIRM MARSHALL MAYS' COMMENT THAT IN NO CASE WILL OPIC PROVIDE COVERAGE WITHOUT THE APPROVAL OF THE GOVERNMENT AND A DETERMINATION, BASED ON A DISCIPLINED ANALYSIS, THAT THE INVESTMENT AND THE PROJECT ARE IN THE BEST INTERESTS OF THE HOST COUNTRY AS WELL AS IN THE U.S.

4. OPIC RECOMMENDS THAT THE GOM, IN PROVIDING ITS LETTER APPROVAL FOR INSURANCE PURPOSES, MERELY (I) REFER TO THE PROJECT AND TO PARTICIPATION BY THE PARENT AND MOTOROLA ASIA, (II) STATE THAT THE GOM HAS NO OBJECTION TO ISSUANCE OF INSURANCE, AND (III) REFER TO THE US-GOM BILATERAL AGREEMENT DATED JULY 26, 1963, AS AMENDED. THE LETTER SHOULD BE SIGNED BY THE APPROPRIATE GOM AUTHORITY WHICH WE UNDERSTAND IS THE DIRECTOR OF INDUSTRIES DIVISION, THE MINISTRY OF TRADE AND INDUSTRY. KISSINGER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INSURANCE, FOREIGN INVESTMENT, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 SEP 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE197859  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** OPIC/ID/NEA:AMKRAMISH  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740251-0200  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740962/aaaacajb.tel  
**Line Count:** 86  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN OPIC  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** KUALA LUMPUR 4169  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <04 APR 2002 by maustmc>; APPROVED <03 FEB 2003 by boyleja>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MOTOROLA INSURANCE APPLICATION 483-72-447  
**TAGS:** EINV, US, MY, OPIC, MOTOROLA  
**To:** KUALA LUMPUR  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005